(c) if so, the extent of increase in the sale price of steel for the consumers in the country during the said period?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) and (b) Since January 2005, the prices of some of the raw materials used in the production of steel have increased while others have decreased. Various steel producing companies use different qualities and quantum of raw material depending upon the technology adopted. Hence, the impact of changes in raw material prices is different for different companies and it is not possible to work out the weighted average increase of increase of decrease for the entire industry.

(c) Steel prices are largely determined by international prices and the demand and supply conditions prevailing in the market. A general sustained increase in cost of production over a long period which is widespread in the industry may impact the price of steel.

(d) As per information available in the Mumbai market, prices of steel products in general decreased from January to November, 2005 by about 7% to 23% depending on the products.

Effect of iron-ore allocation to foreign companies on Steel Industries

†1199. SHRIMATI KUM KUM RAI: Will the Minister of STEEL be pleased to state:

(a) whether the allocation of iron-ore to the foreign steel companies in the country in large quantity is going to prove deterimental to the growth and prospects of the Indian Steel Industries;

(b) whether Government have formulated a comprehensive policy in this regard; and

(c) if so, the details thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) As per the information available M/s Pohang Steel Company (POSCO) of South Korea has signed a Memorandum of Understanding (MoU) with Government of Orissa for setting up integrated steel plant of 12 million tonnes capacity and as per this MoU, Government of Orissa have agreed for recommending allocation of 600 million tonnes of iron-ore reserve to be used in 30 years in favour of POSCO. Similarly, it is reported that M/s Mittal Steel Company has signed a Memorandum of Understanding (MoU) with Government of Jharkhand for

†Original notice of the question was received in Hindi.

setting up of steel plant of 12 million tonnes capacity. For a steel of this capacity the iron-ore requirement for 30 years will be 576 million tonnes. As such the total requirement for the two foreign companies would be around 1.2 billion tonnes. Against this, Indian Bureau of Mines under United Nation Framework Classification has estimated the iron-ore reserve of the country to be around 22 billion tonnes as on 1.4.2000. In view of this it is not anticipated that allocation of iron-ore to foreign steel companies in the country will be detrimental to the growth of steel industry in India.

(b) and (c) Iron-ore reserves are allocated as per the provisions of National Mineral Policy, 1993, Mines & Mineral Development Regulation Act, 1957 and Mineral Concession Rule, 1960 and Policies adopted by State Governments in this regard. There is no separate policy for allocating iron ore reserve to foreign steel companies.

PAPERS LAID ON THE TABLE

MR. CHAIRMAN: Papers to be laid on the Table. Shri Ram Vilas Paswan. (*Interruptions*).

Report and Accounts (2004-05) of the Hindustan Steel Works construction Ltd. (HSCL), Kolkata and related papers.

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN): Sir, I lay a copy each in English & Hindi of the following papers under Sub-section (1) of section 619A of the Companies Act, 1956:

(a) Forty-first Annual Report and Accounts of the Hindustan Steel works Construction Limited (HSCL), Kolkata, for the year 2004-05, together with the Auditor's Report on the Accounts and the comments of the Comptroller and Auditor General of India thereon.

(b) Review by Government on the working of the above Company [Placed in Library. *See* No. Lt-2920/05]

Report and Accounts (1999-2000) of the Orissa Agro Industries Corpn. Lt. (OAIC), Bhubaneswar and related papers.

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): Sir, on behalf of Shri Kantilal Bhuria, I lay on the Table :—

A copy each (in English and Hindi) of the following papers, under sub-section (1) of section 619A of the Companies Act, 1956